

Judicial Branch Fees and Costs Bill House File 2789

Last Action:

**House Ways and Means
Committee**

March 29, 2006

Executive Summary Only

An Act relating to assessing court costs and modifying speeding fines, providing for indigent defense, and making appropriations to the Judicial Branch and Department of Inspections and Appeals.

**Fiscal Services Division
Legislative Services Agency**

NOTES ON BILLS AND AMENDMENTS (NOBA)

Available on line at <http://www3.legis.state.ia.us/noba/index.jsp>

LSA Contact: Jennifer Acton (17846)

EXECUTIVE SUMMARY NOTES ON BILLS AND AMENDMENTS

HOUSE FILE 2789 JUDICIAL BRANCH FEES AND COSTS BILL

BACKGROUND INFORMATION

- The 2005 General Assembly enacted HF 826 (Speed Limit Act), that increased simple misdemeanor court costs/filing fees from \$17 to \$30 and made the fees the same level as indictable filing fees. This generated approximately \$7.0 million for FY 2006 that was dedicated to the Judicial Branch for operations.
- House File 826 also increased speeding fines in speeding zones greater than 55 miles per hour (mph), that resulted in \$596,000 in additional revenue deposited into the General Fund. The increases were as follows:
 - From \$10 to \$20 for speeding fines one to five miles over.
 - From \$20 to \$40 for speeding fines six to ten miles over.
 - From \$40 to \$60 for speeding fines 11 to 15 miles over.
 - From \$60 to \$80 for speeding fines 16 to 20 miles over.
 - From \$60 to \$90 for speeding fines in excess of 20 miles over, plus an increase from \$2 to \$5 for each mile per hour of excessive speed.
- Senate File 2273 (FY 2006 Supplemental Appropriations Bill) appropriates \$4.0 million from the General Fund to the State Public Defender for additional costs incurred for FY 2006 indigent defense claims.

PROPOSED SPEEDING FINE AND COURT COST INCREASES

- This Bill (HF 2789) increases speeding fines in speeding zones under 55 mph as follows:
 - From \$10 to \$20 for speeding fines one to five miles over.
 - From \$20 to \$80 for speeding fines six to ten miles over.
 - From \$40 to \$120 for speeding fines 11 to 15 miles over.
 - From \$60 to \$160 for speeding fines 16 to 20 miles over.
 - From \$60 to \$180 for speeding fines in excess of 20 miles over, plus \$2 for each mile per hour of excessive speed.
- The Bill also increases speeding fines in speeding zones over 55 mph as follows:
 - From \$20 to \$40 for speeding fines one to five miles over.
 - From \$40 to \$80 for speeding fines six to ten miles over.
 - From \$60 to \$120 for speeding fines 11 to 15 miles over.
 - From \$80 to \$160 for speeding fines 16 to 20 miles over.
 - Increases from \$90 to \$180 for speeding fines in excess of 20 miles over, plus \$5 for each mile per hour of excessive speed.
- House File 2789 increases the fee charged by the clerks of district court for filing and docketing a criminal case from \$30 to \$100 and the court costs/filing fees for a scheduled violation from \$30 to \$35.

**EXECUTIVE SUMMARY
NOTES ON BILLS AND AMENDMENTS**

**HOUSE FILE 2789
JUDICIAL BRANCH FEES AND COSTS BILL**

NEW FEES – REVENUE IMPACT

- The revenue impact assumes that the Iowa State Patrol will write 72.0% of the tickets written for speeding fines and the revenue generated will be deposited in the General Fund. Of the remaining 28.0%, 90.0% of the revenue will go to county/local governments and 10.0% will be deposited in the General Fund.
- When the court imposes a fine for a violation of a law, the court assesses an additional penalty in the form of a Criminal Penalty Surcharge. Of the 32.0% Criminal Penalty Surcharge, 5.0% of the revenue will go to county/local governments and of the remaining 95.0%, 17.0% will be deposited in the Victim Compensation Fund and the remaining 83.0% will be deposited in the General Fund.

Increase in Speeding Fines for Under 55 mph, Over 55 mph, and Increasing Simple Misdemeanor Court Costs/Filing Fees From \$30 to \$35 and Increasing Indictable Misdemeanor Filing Fees from \$30 to \$100

	FY 2007		
	General Fund	County/Local Government	Victim Compensation Fund
Speeding Fine Revenue	\$ 4,531,470	\$ 1,526,644	\$ 0
32.0% Criminal Surcharge Revenue	1,528,583	96,930	313,083
Increase in Simple Misdemeanor Court Costs/Filing Fees	2,205,340	0	0
Increase in Indictable Misdemeanor Filing Fees	594,565	0	0
	<u>\$ 8,859,958</u>	<u>\$ 1,623,574</u>	<u>\$ 313,083</u>

COLLECTION RATES

- According to the Justice Data Warehouse, the collection rate for speeding in zones under 55 mph and over 55 mph ranges from 57.6% to 94.3% for the first year, depending on the type of speeding fine. There is not enough experience with fines of \$160 to \$180 to calculate current collection rates, so the \$120 rate for collections was used.

EXECUTIVE SUMMARY NOTES ON BILLS AND AMENDMENTS

HOUSE FILE 2789 JUDICIAL BRANCH FEES AND COSTS BILL

COLLECTION RATES (CONTINUED)

- Court revenues are estimated by multiplying the amount imposed by a collection rate. According to the Justice Data Warehouse, the collection rate for a simple misdemeanor court cost/filing fee increase from \$30 to \$35 ranges from 31.3% to 65.3% for the first year, depending on the type of simple misdemeanor. (This includes scheduled violations, including traffic and some simple misdemeanors and non-scheduled traffic violations under Chapter 321, Code of Iowa, and some simple misdemeanors.) The collection rate for an indictable misdemeanor filing fee increase from \$30 to \$100 is 17.2%. This includes aggravated and serious misdemeanors. This collection rate may be slightly understated since it also includes felonies. However, the majority of the court costs paid in the first year would be from serious and aggravated misdemeanors since the first year payment of felonies tends to be applied to restitution.

FISCAL IMPACT

- House File 2789 directs the State Court Administrator to allocate \$13.0 million annually, from fees and fines collected by the Judicial Branch, to the Judicial Branch for salaries, maintenance, equipment, and miscellaneous purposes. This is a \$6.0 million increase to the Judicial Branch's current allocation and is in addition to the Judicial Branch's proposed \$123.3 million operating budget appropriation in HF 2557 (FY 2007 Judicial Branch Appropriations Bill). The \$13.0 million allocation will be shown in the Judicial Branch operating budget as a receipt, rather than an appropriation.
- House File 2789 also directs the State Court Administrator to allocate \$2.8 million annually, from the fees and fines collected by the clerks of district court, to the Office of the State Public Defender of the Department of Inspection and Appeals. The funds are to be used to compensate court-appointed attorneys representing indigent adults and juveniles. This is a \$5 per hour increase over current law. The \$2.8 million allocation is in addition to the proposed General Fund appropriation of \$25.2 million to the State Public Defender in HF 2558 (FY 2007 Justice System Appropriations Bill).